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SUBJECT: PRC SCHOLARS CONCERNED ABOUT INDIAN REACTION

AGAINST PAKISTAN IN WAKE OF MUMBAI ATTACKS

REF: A. ISLAMABAD 3772 ¶B. NEW DELHI 3091

BEIJING 00004475 001.2 OF 003

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (B/D).

Summary

¶1. (C)

 $\underline{\mbox{1}}\mbox{1}.$ (C) PRC South Asia scholars have expressed concern to us that retaliation by India against Pakistan for the recent Mumbai terror attacks would create instability in the region and significantly hamper U.S. counter-insurgency efforts in Afghanistan and along the Pakistan-Afghanistan border. In recent meetings with PolOff, scholars suggested the United States take measures to restrain India from taking action that could result in a regional conflagration. Many scholars said the terror attacks reinforce their perception that Pakistan President Zardari has little control over Pakistan's The Chinese scholars told us that Zardari security services. faces difficulties taking action against possible perpetrators of the attack because the Pakistani general public and elements of Pakistan's security apparatus will perceive he is acting to appease either the United States or India. The scholars suggested the PRC Government's ability to defuse India-Pakistan tension is limited, particularly as China "re-balances" its relations with India and Pakistan. They also said that continuing cross-border raids into Pakistan by Afghanistan-based coalition forces undermine Zardari's position and that excessive coalition military action in Afghanistan hampers international efforts to create conditions for stable development. End Summary.

India Should be Cautious

12. (C) Urging India to be cautious in its response to the Mumbai terror attacks, Ministry of Foreign Affairs-affiliated China Institute for International Studies (CIIS) South Asia scholar Rong Ying told PolOff December 1 that Indian officials must distinguish the actions of the Pakistan Government from those by elements in Pakistan who oppose rapprochement with India. Rong expressed concern that the "very sensational" India media promotes anti-Pakistan sentiment and may stoke communal violence in India. He expressed hope that "cooler heads will prevail."

Pakistan More Supportive

13. (C) Rong said that in contrast to the Pakistan

Government's earlier indifference to the 2001 Indian Parliament bombing, Zardari and other Pakistani political leaders' expressed response to the Mumbai attacks has been sympathetic and supportive. Rong said that Pakistan has "a genuine interest in cooperation" and attributes the more positive posture to Pakistan's own struggles with terrorism. Rong said assistance to Pakistan from the international community, through channels such as the Friends of Pakistan, is particularly crucial at this time. Members of the international community, particularly the United States, must also attempt to rein in any Indian moves toward aggressive action against Pakistan.

Negative Effect on Regional Stability

¶4. (C) Ministry of State Security-affiliated China Institutes for Contemporary International Relations (CICIR) South Asia scholar and counter-terrorism expert Fu Xiaoqiang told PolOff December 4 that Indian reactions to the Mumbai terror attack could undermine regional stability. Professor Fu warned that if India follows through on reported plans for air strikes against Lashkar-e-Tayyiba (LeT) or other targets in Pakistan, the Pakistani Army will retaliate. Fu gives credence to Pakistan media reports quoting an unnamed senior Pakistani army official as calling Taliban leaders Baitullah Mehsud and Mullah Fazullah "patriots" and noting that elements in Taliban-controlled Northern Waziristan have offered to defend Pakistan's border with India. Such a development would seriously hamper U.S. counter-insurgency efforts on the Pakistan-Afghanistan border, Fu said.

Zardari's Position Difficult

BEIJING 00004475 002.2 OF 003

15. (C) Zardari, however, has a "difficult sell" convincing the Pakistani public to support actions against Pakistani nationals over the Mumbai bombing, particularly those identified by India, said CIIS's Rong. The Pakistani public and some members of the security service may perceive such Pakistani Government's actions as appeasement of the United States or India. Though arresting LeT suspects known for their militancy may not provoke domestic opposition, moving against individuals who have stature and influence in the Islamic community because of their social work and efforts to propagate Islam, such as Jamaat-ud-Dawa (an alias for LeT) leader Muhammad Saeed, would be more problematic for the Pakistani Government, according to CICIR's Fu.

LeT-ISI Links Expose Divisions in Pakistan

16. (C) Noting media reports indicating the involvement of LeT in the attacks, CICIR's Fu said former members of Inter-Services Intelligence (ISI) have "personal links" to LeT, though he insisted that LeT has no direct ties to the current Pakistani Government. While uncertain of any links between LeT and the security services, Beijing University South Asia scholar Han Hua told PolOff December 3 that questions about Pakistani official involvement in the Mumbai terror attacks, whether through the Army or ISI, demonstrate Zardari's limited control over these institutions.

U.S. Cross-Border Attacks Unhelpful

17. (C) Han speculated that the security services take issue with a number of Zardari's positions, including his November 22 announcement of a no-first-strike nuclear weapons policy and especially his perceived acquiescence to U.S. cross-border attacks on the Pakistan-Afghanistan border. CICIR South Asia scholar Hu Shisheng separately likewise told PolOff in a conversation preceding the events in Mumbai that U.S. military cross-border attacks into Pakistan are

undermining Zardari's position. The United States "is not giving him a chance" to address the security situation on Zardari's own terms, Hu said. Beijing University's Han said the Pakistani military "feels threatened" by India-Afghanistan and U.S.-Afghanistan cooperation, but said the Army "will not take action against the government" unless India escalates military tensions.

China's Influence Limited

¶8. (C) Beijing University's Han said China's short-term foreign policy goal is to prevent war between India and Pakistan. China may also urge Pakistan to cooperate fully in the investigation of the attacks. Han stated that China and the United States have common goals in region and that a stable Pakistan-India relationship is necessary to build a stable Afghanistan. CICIR's Fu said that though Pakistan is China's "all-weather friend," China is trying to balance its relationships with India and Pakistan. This rebalancing of relations means that China has limited influence in preventing conflict between Pakistan and India, Fu said.

China-India Bilateral Relations "Workable"

19. (C) Beijing University's Han said bilateral disputes between China and India continue on border issues, energy exploitation and "regional supremacy," but the Mumbai terror attacks perhaps provide an opportunity for the two sides to work more cooperatively. Whatever the eventual outcome of the current crisis, India and China will continue to have a "workable relationship," she said.

Border Dispute Thorny

110. (C) On the ongoing China-India border dispute, CIIS South Asia scholar Zheng Ruixiang told PolOff in a conversation preceding the Mumbai terror attacks that though he understood Indian FM Mukerjee's early November speech affirming Indian sovereignty over Arunachal Pradesh was aimed at a domestic audience, making this claim specifically in Dawang is "unique" and particularly sensitive for China because Dawang's status is not solely a result of the British

BEIJING 00004475 003.2 OF 003

colonial legacy (i.e., the 1914 McMahon line dividing colonial India and China, which China does not recognize), but also a result of India's forceful expulsion of Chinese and Tibetan authorities from the area in the early 1950s. India-China border talks will continue, Zheng said, but he does not foresee an early resolution to the dispute.

Too Much Military Activity in Afghanistan

- 111. (C) CIIS's Zheng noted that though Chinese companies wish to invest in Afghanistan, the "chaos" of the situation has created a "negative investment environment." Reflecting the skepticism of Chinese companies regarding the authority of the Afghan Government, Zheng recalled the oft-repeated observation that Afghan President Karzai is known as the "mayor of Kabul" because of his lack of authority outside the capital city. CIIS' Rong said China is not "sitting on the fence" in Afghanistan and fully supports President Karzai's government, but "too much (coalition) military" activity is creating a chaotic living environment for the local population and resentment against coalition forces, conditions that prevent Afghanistan from achieving stability.
- 112. (C) CIIS' Rong suggested that consultations with regional countries could lead to a solution to Afghanistan's problems, though he added that any regional consultation mechanism should be separate from existing regional groupings like the Shanghai Cooperation Organization. CICIR's Fu agreed,

stating that the Taliban will not be defeated militarily, and, hence, negotiations are appropriate. He suggested that one measure to build confidence between Pakistan and Afghanistan would be for the Afghanistan Government to accept the Durand line (the term for the 1,610-mile-long border between Afghanistan and Pakistan established in the late 19th century, which Afghan President Karzai has called "a historical injustice") as the permanent border demarcation. Piccuta